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UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY

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:

N.V.E., Inc.

Plaintiff,

CIVIL ACTION NO. 06-5455 (GEB) (ES)

V.

JESUS J. PALMERONI, ET AL

Defendant.

ANSWER TO THE FIRST AMENDED COMPLAINT

JESUS J. PALMERONI,

Third Party Plaintiff, :

VS.

ROBERT OCCHIFINTO AND WALTER : ORCUTT, :

Third Party Defendants. :

Defendants Vincent Rosarbo, American Wholesale
Distribution, Inc. and VAR Consulting, Inc. by way of answer to
the plaintiff's complaint says:

NATURE OF THE ACTION

 Defendants, Vincent Rosarbo (hereinafter referred to as "Rosarbo"), American Wholesale Distribution, Inc.
 (hereinafter referred to as "AWD") and VAR Consulting, Inc. (hereinafter referred to as "VAR") (collectively referred to as Defendants) state that the allegations referred to in paragraph 1 are legal assertions and conclusions and accordingly defendants need not respond to same. To the extent that said allegations are factual in nature defendants deny same.

JURISDICTION AND VENUE

- 2. The allegations of paragraph 2 set forth legal conclusions for which no response is necessary. To the extent that a response is necessary they are hereby denied.
- 3. The allegations of paragraph 3 set forth legal conclusions for which no response is necessary. To the extent that a response is necessary they are hereby denied.
- 4. The allegations of paragraph 4 set forth legal conclusions for which no response is necessary. To the extent that a response is necessary they are hereby denied.

RELEVANT TIMES

- 5. Defendants have insufficient knowledge to form a belief as to the truth of the allegations of paragraph 5.
 - 6. Defendants deny the allegations of paragraph 6.

PARTIES

A. Plaintiff

7. Defendants have insufficient knowledge to form a belief as to the truth of the allegations of paragraph 7.

B. <u>Defendants</u>

- 8. Defendants admit that Jesus ("Joe") Palmeroni ("Palmeroni") was a former employee of N.V.E. and held the position of "Vice President of Sales". Defendants have insufficient knowledge to form a belief as to the truth of the remaining allegations of paragraph 8.
- 9. Defendants admit that Palmeroni had an ownership interest with Rosarbo in AWE and Smart World, Inc. ("Smart World U.S.") and has insufficient knowledge to form a belief as to the truth of the remaining allegations of paragraph 9.
- 10. Defendants have insufficient knowledge to form a belief as to the truth of the allegations of paragraph 10.
- 11. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 11.
- 12. Defendants admit that Rosarbo is a resident of Connecticut and was employed by NVE as a salesman from February 5, 2001 until August 10, 2004 when he was terminated. Rosarbo admits that Defendant, Angelina Rosarbo is his wife. Rosarbo further admits that he owned AWD with Palmeroni and Defendants have insufficient knowledge to form a belief as to the truth of the remaining allegations of paragraph 12.
- 13. Defendants admit that Angelina Rosarbo is a resident of Connecticut and have insufficient knowledge to form a belief as to the truth of the remaining allegations of paragraph 13.
 - 14. Defendants admit that Nicole Dilungo ("Dilungo") is a

resident of Connecticut, and is the daughter of Angelina
Rosarbo and step-daughter of Rosarbo and have insufficient
knowledge to form a belief as to the truth of the remaining
allegations of paragraph 14.

- 15. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 15.
- 16. Defendants admit that AWD is a corporation of the State of Nevada and was owned by Palmeroni and Rosarbo and deny the remaining allegations of paragraph 16.
- 17. Defendants admit that AWD that Smart World Inc., was a resident of Nevada and is dissolved and was owned by Palmeroni and Rosarbo and deny the remaining allegations of paragraph 17.
- 18. Defendants admit that Foremost International ("Foremost") is a company with a business located in Carlstadt, New Jersey and has insufficient knowledge to form a belief as to the truth of the remaining allegations of paragraph 18.
- 19. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 19.
- 20. Defendants admit that VAR is a corporation located and doing business in the State of Connecticut and denies the remaining allegations of paragraph 20.
- 21. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 21.

- 22. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 22.
- 23. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 23.
- 24. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 24.
- 25. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 25.
- 26. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 26.
- 27. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 27.
- 28. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 28.
- 29. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 29.
- 30. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 30.
- 31. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 31.
- 32. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 32.
- 33. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 33.

- 34. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 34.
- 35. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 35.
- 36. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 36.
- 37. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 37.
- 38. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 38.
- 39. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 39.
- 40. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 40.

SUBSTANTIVE FACTUAL ALLEGATIONS

A. <u>Kickback of Commissions</u>

- 41. Defendants admit that Palmeroni was employed by NVE as a salesman and at one point held a position of "Vice President of Sales" and have insufficient knowledge to form a belief as to the truth of the remaining allegations paragraph 41.
- 42. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 42.
 - 43. Defendants have insufficient knowledge to form a

- belief as to the truth of the allegations paragraph 43.
- 44. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 44.
- 45. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 45.
- 46. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 46.
- 47. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 47.
- 48. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 48.
- 49. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 49.
- 50. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 50.
- 51. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 51.
- 52. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 52.
- 53. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 53.
- 54. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 54.
 - 55. Defendants have insufficient knowledge to form a

- belief as to the truth of the allegations paragraph 55.
- 56. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 56.
- 57. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 57.
- 58. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 58.
- 59. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 59.
- 60. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 60.
- 61. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 61.
- 62. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 62.
- 63. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 63.
- 64. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 64.
- 65. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 65.
- 66. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 66.
 - 67. Defendants have insufficient knowledge to form a

- belief as to the truth of the allegations paragraph 67.
- 68. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 68.
- 69. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 69.
- 70. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 70.
- 71. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 71.
- 72. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 72.
 - 73. Defendants deny the allegations of paragraph 73.
 - 74. Defendants Deny the allegations of paragraph 74.
- 75. To the extent that paragraph 75 sets forth a proposition of law or a legal conclusion no answer is required. To the extent that said allegations are factual defendants deny same.
 - 76. Defendants deny the allegations of paragraph 76.
- 77. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 77.
 - 78. Defendants deny the allegations of paragraph 78.
 - 79. Defendants deny the allegations of paragraph 79.
- 80. Defendants deny the allegations regarding the formation and execution of the scheme to defraud and have

insufficient knowledge to form a belief as to the truth of the remaining allegations of paragraph 80.

FIRST CAUSE OF ACTION

- 81. Defendants repeat their answer to the preceding paragraphs of the complaint as if the same were more fully set forth at length herein.
- 82. The allegations referred to in paragraph 82 set forth a legal conclusion for which no response is required. To the extent it sets forth a factual basis defendants have insufficient knowledge to form a belief as to the truth of the allegations of paragraph 82.
- 83. The allegations referred to in paragraph 83 set forth a legal conclusion for which no response is required. To the extent it sets forth a factual basis defendants have insufficient knowledge to form a belief as to the truth of the allegations of paragraph 83.
 - 84. Defendants deny the allegations of paragraph 84.
 - 85. Defendants deny the allegations of paragraph 85.
 - 86. Defendants deny the allegations of paragraph 86.
 - 87. Defendants deny the allegations of paragraph 87.

SECOND CAUSE OF ACTION

88. Defendants repeat their answer to the preceding paragraphs of the complaint as if the same were more fully set forth at length herein.

- 89. The allegations of paragraph 89 sets forth a legal conclusion and hence no response is required. To the extent that a response is required defendants have insufficient knowledge to form a belief as to the truth of the allegations of paragraph 89.
- 90. The allegations of paragraph 90 sets forth a legal conclusion and hence no response is required. To the extent that a response is required defendants have insufficient knowledge to form a belief as to the truth of the allegations of paragraph 90.
- 91. The allegations of paragraph 91 sets forth a legal conclusion and hence no response is required. To the extent that a response is required defendants have insufficient knowledge to form a belief as to the truth of the allegations of paragraph 91.
- 92. The allegations of paragraph 92 sets forth a legal conclusion and hence no response is required. To the extent that a response is required defendants have insufficient knowledge to form a belief as to the truth of the allegations of paragraph 92.
 - 93. Defendants deny the allegations of paragraph 93.
 - 94. Defendants deny the allegations of paragraph 94.

THIRD CAUSE OF ACTION

95. Defendants repeat their answer to the preceding

paragraphs of the complaint as if the same were more fully set forth at length herein.

- 96. The allegations of paragraph 96 sets forth a legal conclusion to which no response is required. To the extent that a response is required defendants have insufficient knowledge to form a belief as to the truth of the allegations of paragraph 96.
- 97. The allegations of paragraph 97 sets forth a legal conclusion to which no response is required. To the extent that a response is required defendants have insufficient knowledge to form a belief as to the truth of the allegations of paragraph 97.
- 98. The allegations of paragraph 98 sets forth a legal conclusion to which no response is required. To the extent that a response is required defendants have insufficient knowledge to form a belief as to the truth of the allegations of paragraph 98.
 - 99. Defendants deny the allegations of paragraph 99.
 - 100. Defendants deny the allegations of paragraph 100.
 - 101. Defendants deny the allegations of paragraph 101.

FOURTH CAUSE OF ACTION

102. Defendants repeat their answer to the preceding paragraphs of the complaint as if the same were more fully set forth at length herein.

- 103. The allegations of paragraph 103 set forth a legal conclusion to which no response is required. To the extent that a response is required defendants have insufficient knowledge to form a belief as to the truth of the allegations of paragraph 103.
- 104. The allegations of paragraph 104 set forth a legal conclusion to which no response is required. To the extent that a response is required defendants have insufficient knowledge to form a belief as to the truth of the allegations of paragraph 104.
- 105. The allegations of paragraph 105 set forth a legal conclusion to which no response is required. To the extent that a response is required defendants have insufficient knowledge to form a belief as to the truth of the allegations of paragraph 105.
 - 106. Defendants deny the allegations of paragraph 106.
 - 107. Defendants deny the allegations of paragraph 107.
 - 108. Defendants deny the allegations of paragraph 108.
 - 109. Defendants deny the allegations of paragraph 109.

FIFTH CAUSE OF ACTION

- 110. Defendants repeat their answer to the preceding paragraphs of the complaint as if the same were more fully set forth at length herein.
 - 111. Defendants deny the allegations paragraph 111.

- 112. Defendants deny the allegations of paragraph 112.
- 113. Defendants deny the allegations of paragraph 113.
- 114. Defendants deny the allegations of paragraph 114.

SIXTH CAUSE OF ACTION

115 -121. The allegations of the paragraphs do not pertain to these answering defendants and accordingly no response is required.

SEVENTH CAUSE OF ACTION

- 122. Defendants repeat their answer to the preceding paragraphs of the complaint as if the same were more fully set forth at length herein.
 - 123. Defendants deny the allegations of paragraph 123.
 - 124. Defendants deny the allegations of paragraph 124.

EIGHTH CAUSE OF ACTION

- 125. Defendants repeat their answer to the preceding paragraphs of the complaint as if the same were more fully set forth at length herein.
 - 126. Defendants deny the allegations of paragraph 126.
 - 127. Defendants deny the allegations of paragraph 127.

NINTH CAUSE OF ACTION

- 128. Defendants repeat their answer to the preceding paragraphs of the complaint as if the same were more fully set forth at length herein.
 - 129. Defendants deny the allegations of paragraph 129.

130. Defendants deny the allegations of paragraph 130.

TENTH CAUSE OF ACTION

- 131. Defendants repeat their answer to the preceding paragraphs of the complaint as if the same were more fully set forth at length herein.
 - 132. Defendants deny the allegations of paragraph 133.
 - 133. Defendants deny the allegations of paragraph 134.
 - 134. Defendants deny the allegations of paragraph 135.

ELEVENTH CAUSE OF ACTION

- 135. Defendants repeat their answer to the preceding paragraphs of the complaint as if the same were more fully set forth at length herein.
- 136. The allegations set forth in paragraph 136 set forth conclusions of law for which no response is required. To the extent that a response is required defendants deny the allegations of paragraph 136.
 - 137. Defendants deny the allegations of paragraph 137.
 - 138. Defendants deny the allegations of paragraph 138.

TWELFTH CAUSE OF ACTION

- 139. Defendants repeat their answer to the preceding paragraphs of the complaint as if the same were more fully set forth at length herein.
 - 140. Defendants deny the allegations of paragraph 140.
 - 141. Defendants deny the allegations of paragraph 141.

THIRTEENTH CAUSE OF ACTION

- 142. Defendants repeat their answers to the preceding paragraphs of the complaint as if the same were more fully set forth at length herein.
- 143. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 143.
- 144. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 144.
- 145. Defendants have insufficient knowledge to form a belief as to the truth of the allegations paragraph 145.
 - 146. Defendants deny the allegations of paragraph 146.

FOURTEENTH CAUSE OF ACTION

147 - 150. The allegations of this Count do not pertain against these answering defendants and accordingly no response is required thereto.

WHEREFORE, defendants demand that plaintiff's complaint be dismissed together with costs of suit.

FIRST SEPARATE DEFENSE

Plaintiff fails to state a claim upon which relief can be granted.

SECOND SEPARATE DEFENSE

Plaintiff's claims are barred by the applicable statute of limitations.

THIRD SEPARATE DEFENSE

Plaintiff's claims are barred by the doctrine of unclean hands.

FOURTH SEPARATE DEFENSE

Plaintiff's claims are barred by the fact that plaintiffs have committed spoliation of relevant and material evidence.

FIFTH SEPARATE DEFENSE

New Jersey Law does not recognize the "tort of conspiracy" and said claim is meritless.

SIXTH SEPARATE DEFENSE

Any alleged loss sustained by the plaintiffs are due to the actions of other parties who are not under the control of these defendants.

SEVENTH SEPARATE DEFENSE

 ${\tt N.V.E.}$ lacks standing to assert the claims contained in the complaint.

EIGHTH SEPARATE DEFENSE

Plaintiff's claim is barred by the doctrine of laches. FRANZBLAU DRATCH, P.C.

By: /S/ STEPHEN N. DRATCH
STEPHEN N. DRATCH

CERTIFICATION IN ACCORDANCE WITH L.CIV.R. 11.2

I, Stephen N. Dratch, hereby certify based upon

information and belief that the matter in controversy is not the subject of any other action pending in any court, or of any pending arbitration or administrative proceeding.

/S/ STEPHEN N. DRATCH STEPHEN N. DRATCH

DATED: August 31, 2011